

**THE BELT AND ROAD INITIATIVE (BRI) AND
THE ROLE OF THE CHINESE AFRICAN JOINT ARBITRATION CENTRE (CAJAC)**

**By
Charlotte Nyangeri & Adefoworola Tokan-Lawal**

“China and African countries are destined to be good friends, good brothers and good partners and China-Africa cooperation stands as a fine example of South-South cooperation.”ⁱ

THE BELT AND ROAD INITIATIVE

The Belt and Road Initiative (BRI) is a grandiose 21st century developmental programme initiated by the Chinese government and is intended to connect China’s coastal regions with South East and South Asia, the South Pacific, the Middle East and Eastern Africa, as well as parts of Europe, incorporating just over 152 countries. For the purposes of this article, we shall restrict ourselves to its relationship with the African continent.

The BRI was unveiled in 2013 by the current President, Xi Jinping, who also serves as the General Secretary of the Communist Party of China (CPC) and the Chairman of the Central Military Commission (CMC), who drew inspiration for the term “*Belt and Road Initiative*” from the Silk Road. Established during the Han Dynasty, the Silk Road Initiative was a network of trade routes that connected China to the Mediterranean.ⁱⁱ The BRI was formally referred to as “*One Belt One Road*” and later renamed “*Silk Road Economic Belt and the 21st-century Maritime Silk Road*”. “*Belt and Road Initiative*” was formally adopted in 2016.

The BRI’s objectives are “*to construct a unified large market and make full use of both international and domestic markets, through cultural exchange and integration, to enhance mutual understanding and trust of member nations, ending up in an innovative pattern with capital inflows, talent pool, and technology database.*”ⁱⁱⁱ Apart from infrastructure connectivity on which China expects to involve over US \$1 trillion to develop roads, railways and airports, it also incorporates priorities on policy coordination, unimpeded trade and financial integration. The BRI is said to be one of the most ambitious, largest and highest valued infrastructure and investment projects in history. Given its colossal size and pricey nature, there is a high probability of this massive investment being confronted by disputes. Investors and States prefer and expressly consent to submit claims arising from the investment to arbitration when they invoke Conventions, Treaties, Investment contracts or the National law of the Host State. The BRI was therefore faced with the need to establish a neutral centre where these disputes could be settled thus resulting in the creation of the Chinese African Joint Arbitration Centre (CAJAC) to foster trade and investment between China and Africa.

THE ROLE OF THE CHINESE AFRICAN JOINT ARBITRATION CENTRE

Chinese and African stakeholders intended to create a Sino-African arbitration centre to safeguard and enhance Sino-African trade and investment. This resulted in the signing of the Beijing Consensus in June 2015. Later that year, in December, the Forum on China-Africa Cooperation (FOCAC), representing 50 African States and China, then committed to the establishment of CAJAC which was designed to apply existing arbitral institutions. CAJAC

incorporates a caliber of arbitrators familiar with cultural norms practices of both China and Africa.

The first two institutions mandated with the responsibility of establishing CAJAC were the Shanghai International Arbitration Centre (SHIAC) and the Arbitration Foundation of Southern Africa. In March 2017, three more centres were established in Nairobi, Shenzhen and Beijing.

Upon the growth of CAJAC, there are futuristic plans to set up centres to serve different regions. Currently, CAJAC Johannesburg, which covers construction, finance and energy disputes serves Southern African countries while CAJAC Nairobi serves the East African region. However, disputants maintain the paramount choice of deciding which centre would be best to invoke an institutional arbitration through the principle of party autonomy.

Arbitration is said to preserve the relationship between disputing parties who will continue to enjoy good interactions with each other, by which the opening quote serves as proof!

ⁱ Xi Jinping's excerpt from his speech titled "Keeping Abreast of the Trend of the Times to Achieve Common Development" at the BRICS Forum in Johannesburg, South Africa on July 25, 2018

ⁱⁱ 'Belt and Road Initiative (BRI)' <<https://www.ebrd.com/what-we-do/belt-and-road/overview.html>> accessed 9 June 2019

ⁱⁱⁱ "News—Zhejiang Uniview Technologies Co., Ltd" *en.uniview.com*. retrieved 11 June 2019

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